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The Use of Information in Collective Bargaining



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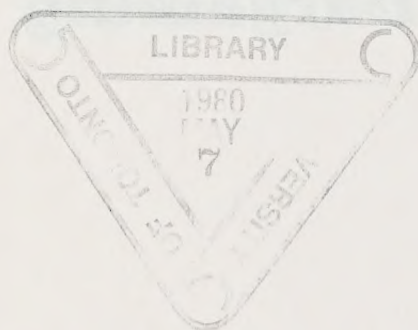
The Use of Information in Collective Bargaining

Three Studies: N. Meltz
M. Thompson
G. Hébert

Planning Unit
For An
Information Centre

Sous-section de
planification d'un
Centre d'information

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PREFACE

Government, labour and employer groups have agreed for some time that the availability and usefulness of information in collective bargaining must be improved. Over the past several years, Labour Canada has been promoting the creation of a Centre to do just that -- to help all parties to collective bargaining to obtain and use information they need by providing a centralized referral and information service.

These three papers were commissioned to aid in the development of the Information Centre by providing an impartial examination of the role of information in collective bargaining. The Planning Unit for an Information Centre at Labour Canada requested the authors (Professor Noah Meltz, University of Toronto; Professor Mark Thompson, University of British Columbia and Professor Gérard Hébert, Université de Montréal) to consider collective bargaining in terms of the role of information, the effects of improved information, and the effects of making information more accessible.

Meltz's paper is a methodological approach to the role of information and the effects of improved information. In contrast, the papers by Thompson and Hébert concentrate on the question of accessibility. Combined, all three studies give the reader a comprehensive overview of the role of information in collective bargaining.

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THE USE OF INFORMATION AND DATA

IN COLLECTIVE BARGAINING

by

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THE USE OF INFORMATION AND DATA
IN COLLECTIVE BARGAINING

1. Introduction

This paper is intended to be a brief exploration of the areas where improvements in the availability of information would be most beneficial to the collective bargaining process. Since this exploration is related to Labour Canada's establishment of a Collective Bargaining Information Centre (CBIC) the paper combines information needs with the role the CBIC could play.

The paper is divided into four sections after the introduction. Section 2 sets out the nature of the bargaining process and information needs in the process. Section 3 discusses the broad types of information by considering the quantitative and qualitative aspects of information. Section 4 presents some assumptions about the present information needs and the role the CBIC may play. Two of the crucial assumptions are that priorities have to be set and that the initial priority should be given to understanding and explaining what data are presently available.

Section 5 provides a series of suggestions for meeting the information needs through three stages. The first stage proposes that the currently available data be outlined and explained as well as assessed for its usefulness. These suggestions constitute what is termed ongoing information. A research project is also proposed for Stage I to explore the extent and type of data needs as well as the costs of providing the data. Stage II adds to the proposed ongoing information advising on the use of data banks and the dissemination of the results of new developments in collective bargaining. Research is also proposed at this stage to complete the analysis of data needs from the point of view of different types of users. A final stage could involve the development of new data as well as research which goes beyond contract negotiations.

2. The Collective Bargaining Process

The term collective bargaining is usually defined as a "method of determining wages, hours and other conditions of employment through direct negotiations between the union and employer."⁽¹⁾ Collective bargaining takes place in the context of a broader

⁽¹⁾ Canadian Labour Congress - Glossary of Labour Terms.

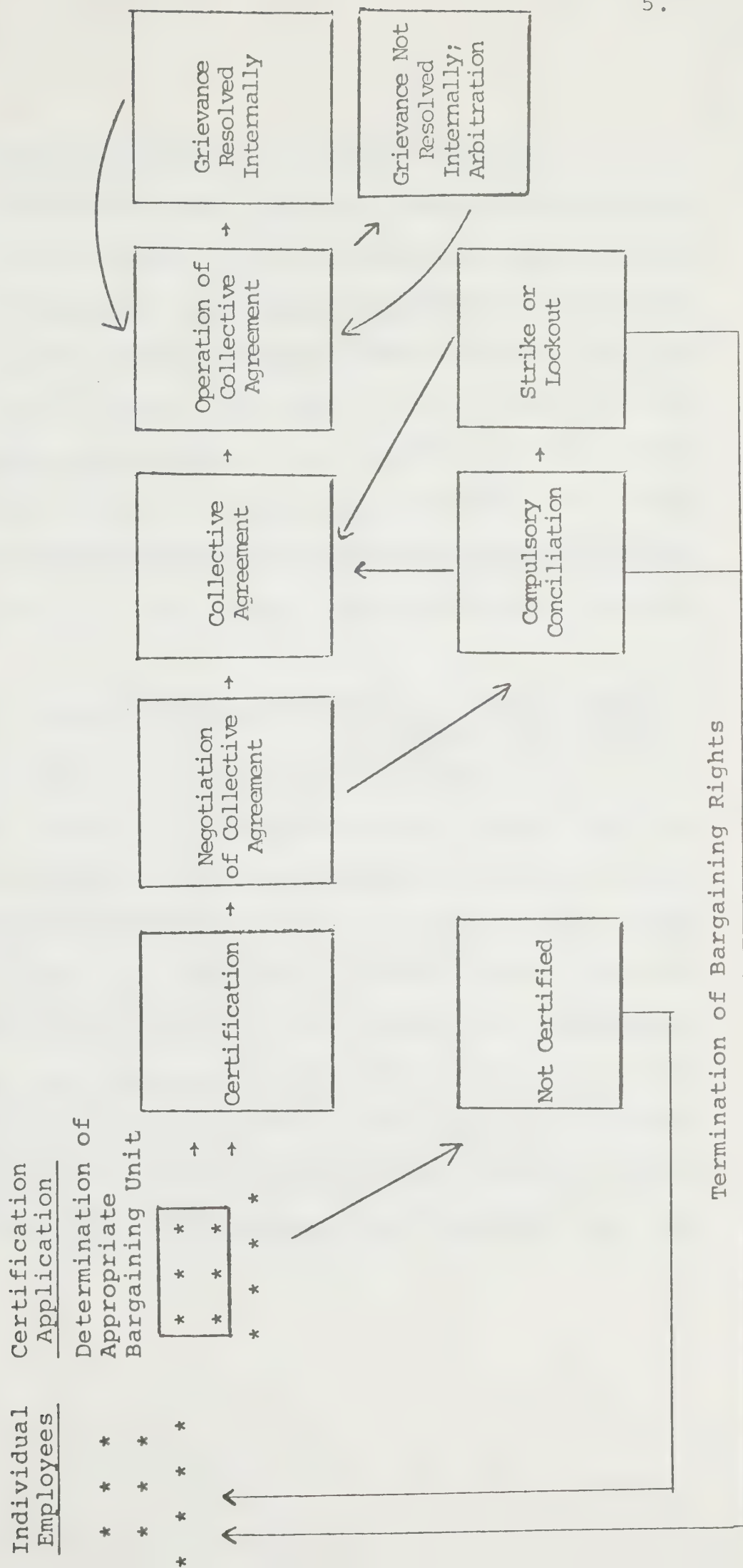
process which begins with the certification of a union as the exclusive bargaining agent of a group of employees and ends with the administration of collective agreements and subsequently their renegotiation. The various stages in the process are shown in Figure 1.

Each stage of this process has particular information and data needs. The certification procedure requires information on the legal framework and the possible interpretation of the status of particular occupations in relation to whether they are in the bargaining unit. The requirement in most jurisdictions that differences arising out of a collective agreement be subject to arbitration has produced other kinds of information needs relating to the decisions of arbitrators in various circumstances. Although the arbitration process is only quasi-judicial and therefore the decisions are not determined by precedent, nevertheless precedent can influence the actions of arbitrators.⁽¹⁾

⁽¹⁾ For the most complete summary of arbitration decisions in Canada see: Donald Brown and David Beatty, Canadian Labour Arbitration, Agincourt: Canada Law Book Limited, 1977.

FIGURE 1

Flow Diagram of Possible Stages in the Bargaining Process
(highlighting points where external information may be sought)



The area within the collective bargaining process which perhaps uses the most information is that of collective bargaining narrowly defined which will be termed here: contract negotiation. Such negotiations and their outcomes, whether they are the terms of settlement or strikes and lockouts, are certainly the most visible aspect of the process and profoundly affect the public's attitude toward collective bargaining. The primary focus of the paper is on information relating to contract negotiation.

3. Classification of Information Relating to Collective Bargaining

Information and data will be classified into two main types: quantitative and qualitative (see Figure 2). By quantitative we mean information for which numbers are either readily available or could be obtained through surveys, estimation procedures, etc. Quantitative information can, in turn, be subdivided into two levels of information: general and specific. General information refers to measures which describe groups of workers and firms such as the average wage rate for labourers; the proportion of employees in an

FIGURE 2

TYPES OF INFORMATION RELATED TO
CONTRACT NEGOTIATIONQuantitative Information

A. General

Standardized measures which describe groups of workers, firms or the economy.

B. Specific

Standardized measures relating to particular firms or unions.

Qualitative Information

A. Aspects of contract negotiations which can not be readily standardized.

B. Considerations relating to understanding the standardized measures which are used for quantitative data.

industry with a pension plan. Specific information refers to data on particular firms or unions such as a telephone operator in Bell Canada in the Ontario region.

Qualitative information deals with aspects of contract negotiations which can not be readily standardized or relate to understanding the standardized measures. An example of the former is the attitude and history of relations between unions and management in a particular bargaining situation. An example of the latter is the knowledge of how particular types of data (or statistics) are obtained, their reliability, and their comparability to other series.

Quantitative data which are available at present are generally of the ex post type, that is, they deal with the provisions of labour contracts which have already been signed.

4. Assumptions Underlying the Suggested Improvements

In order to offer suggestions to improve the availability of collective bargaining information certain assumptions have to be made. The assumptions are set out in this section:

(a) Resources are limited and priorities have to be set

The first assumption is that there are limitations on the financial and human resources available to develop collective bargaining information. From this assumption it follows that priorities have to be set. The suggestions have therefore been set out in a proposed order of importance taking into account the time required to develop and deliver the information. In a situation of limited resources it is not possible to do everything for everybody. Decisions have to be made on priorities.

(b) The greatest immediate need is for information on what is available, how good it is and what it can be used for

The second assumption is that there is a greater immediate need for knowledge to understand and use the information presently available than to develop new data. This is, of course, a crucial assumption which we suggest be explored through a detailed study. However, following from the assumption of limited resources it would seem desirable to first make sure potential users understand what information is available, how reliable it is and the uses to which it can be put. In addition, concentrating initially in depth on presently

available data will provide a basis for thoroughly understanding what additional data may be required.

- (c) The initial objective of the CBIC should be to increase the level of general understanding of developments in the industrial relations field in Canada

The third objective is related to the second. Not only is it assumed that there is a need to understand the presently available information but it is also assumed that the Collective Bargaining Information Centre should have as its initial priority the development, furthering and dissemination of such an understanding of collective bargaining information. This will involve both an understanding of the available quantitative data and also the development of qualitative information through research. Only when this objective is met should the CBIC move to develop new data which is so costly in financial and human resources.

- (d) The CBIC should act as a central resource and clearing-house particularly for inter-provincial information

The CBIC is a federal government agency in a department whose direct jurisdiction in labour market

matters is limited. A critical role it could play would be to co-ordinate and make available information on collective bargaining developments in various provinces as well as relevant developments in other countries. By providing such a function the CBIC could not only disseminate additional information but also use this information itself in determining what gaps in knowledge exist and how they might be filled.

5. Suggestions for Improvements in the Availability of Information which would be Most Beneficial

The suggestions for improvements in the availability of information are set out in three stages. As indicated in the section on assumptions this was done both because resources are not unlimited and because there is a logical sequence which should be followed in developing the information. Each stage deals with quantitative and qualitative information and contains two sections: ongoing information; and possible research study areas. No specific time periods are set for these stages since this will depend on available financial and human resources.

STAGE I

A. ONGOING INFORMATION

- (1) Preparation of a series of pamphlets outlining available information:

These pamphlets, which could be combined in one document, would outline what collective bargaining data are available, how the data can be accessed and the time and cost to obtain the data. This information should be updated periodically.

- (2) Evaluation of the available data:

Either in the previous pamphlets or in separate documents there should be an examination and evaluation of the qualitative aspects of the available data and how they might be used. The latter items might be termed a "consumer report" approach to the data where an impartial observer assesses the performance and value of a product. In the case of labour statistics the objective is also to provide some guidance to the user.

- (3) Preparation of pamphlets explaining the meaning and use of selected standard economic measures:

Certain economic measures are discussed in virtually every contract negotiation and many are

incorporated directly in contracts. Pamphlets should also be prepared explaining the underlying concepts, method of preparation and limitations of these measures, such as, the Consumer Price Index, the unemployment rate, Gross National Product, average wage increases, cost of living allowances, etc.

B. RESEARCH STUDIES

(1) Assess information needs for collective bargaining:

Once the state of current information has been documented there should be an examination of the information needs in collective bargaining. These needs have to be determined on the basis that the provision of such information would reduce labour-management conflict as well as meeting other objectives of productivity and worker satisfaction. This could be a substantial project whether it is narrowly-focussed or very far-reaching. If it were narrowly focussed then it could concentrate on exploring the assumption which was made that there is a greater immediate need to understand the available data than to develop new data.

A broader study would consider the premise which is set out in the terms of reference of the CBIC

that more information will reduce labour-management conflict. A beginning would be to see whether it is possible to document any cases in which strikes resulted or were prolonged by "... incorrect information on the economic realities."

After the information needs have been identified it is necessary to conduct a form of cost-benefit assessment to see what can be provided and by whom -- that is, whether by the CBIC or by encouraging (financially or otherwise) other agencies to develop the data. Consideration must be given to the market to be served and alternative suppliers.

STAGE II

A. ONGOING INFORMATION

- (1) Continue and update the ongoing information included in Stage I.
- (2) Advise on the use and establishment of data banks:

Once the data sources have been screened for quality and uses in Stage I, it should be possible to consider providing advice on the use and possible establishment of data banks. Presumably this function would be particularly relevant to small and possibly medium-sized unions and companies.

(3) Dissemination of qualitative information:

In performing its function as a clearing-house the CBIC could disseminate the results of new developments and experiments in collective bargaining in the various provinces as well as other countries. Such dissemination should include, if possible, an evaluation of the degree of success and the likely applicability to the Canadian context.

(4) Advice on data needs to other agencies:

The results of the assessment of available quantitative data and qualitative information as well as the needs established through research can be discussed with other government agencies as well as private groups.

B. RESEARCH STUDIES

(1) An examination of information needs by types and sizes of unions and companies:

The study proposed in Stage I is intended to examine information needs in general. A follow-up study would consider how the needs varied by type and size of union and company. A related consideration would then

be the role the CBIC should play in meeting these needs. Should it and could it try to meet all the needs for everyone? If the Centre has to be selective, what criteria will be used? Will information be provided free or will there be charges and if so, for what?

(2) Exploration of the needs for qualitative information:

An examination of the needs for qualitative information on collective bargaining would logically follow the study of the needs for quantitative information. Such a study could include the knowledge of the extent and role of security provisions in contracts. For example, would such information have altered the position of the Fleck management on this issue?

STAGE III

A. ONGOING INFORMATION

- (1) Continue and update the information proposed in Stages I and II.
- (2) Introduce new data based on the analysis of need as well as cost-benefit considerations.

B. RESEARCH STUDIES

- (1) If both the quantitative and qualitative aspects of contract negotiations have been explored then research should consider the other areas of the collective bargaining process which were outlined in Section 2 and in Figure 1.

THE USE OF INFORMATION IN
COLLECTIVE BARGAINING

by

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University of British Columbia

THE USE OF INFORMATION IN
COLLECTIVE BARGAINING

The announcement that Labour Canada intended to establish a Collective Bargaining Information Centre (CBIC) came at a critical juncture in Canadian labour-management relations. Both labour and management were (and are) looking ahead to the resumption of bargaining free of controls imposed by the Anti-Inflation Program. While the parties presumably prefer negotiations without controls, the nature of Canada's bargaining climate for the coming months is highly uncertain. Negotiators and their constituents see conflicting signals in the economy and in labour relations. These conflicting signals probably reflect the uncertainty about Canada's economic prospects. However, one legacy of the Anti-Inflation Program is an increased awareness of the need for adequate data bases. Reporting requirements of the Program have caused the parties to accumulate information on compensation of greater quality and quantity than any available before 1975.

Collective bargaining in the post-control era will face other challenges that relate to the work of the Centre. Current discussion of the need for a comprehensive economic strategy in Canada has profound implications for labour-management relations. Discussion so far has focussed on the need to encourage secondary industry in those sectors where Canada enjoys comparative advantage in the development of export markets, generation of employment, or stimulus of advanced technology.¹ But implicit in the process of stimulating some industries is a diminution of emphasis or protection for industries lacking any particular advantage. Many industries likely to be hurt in any setting of industrial priorities are heavily unionized. Their workers will insist that they not suffer unduly because of any broad economic strategy and expect collective bargaining to afford them the protection to which they feel entitled.

Finally, there is a new awareness of the vulnerability of the Canadian economy. The 15 per cent decline in the value of the dollar in the past two years

¹See, A Report by the Second Tier Committee on Policies to Improve Canadian Competitiveness, October 1978.

has been a pointed reminder that the rapid economic growth of the previous decade is not inevitable and may not be repeated. At the same time, rising exports and profits provide both an opportunity to invest or develop new markets, as well as the possibility of compensating labour for declining real wages in recent months.

Traditional Role of Research in Collective Bargaining

Although the CBIC is a new concept for Canada, research to support collective bargaining is almost as old as the process itself. The essence of bargaining is the communication of information between two parties. This information may be disguised and subtly presented, but it is the raw material of any negotiation. Consequently, each party must accumulate information both to formulate its own positions and to prepare responses to its opponent's positions. The two uses for information are analytically distinct, although the research functions for both are normally combined in practice.

As the practice of collective bargaining has evolved, sophisticated negotiators are supported by an extensive research function. Both parties collect and analyse many types of data, ranging from the state of

the national or provincial economy to the pattern of grievances arising under an existing collective agreement. Sources for these data vary from the daily newspaper through public or private information services to internal employer or union files. The research process in collective bargaining is a complex and demanding one. Not only are data sources diverse, but the issues considered are varied and may be presented with little warning during bargaining.

Data generated through research have two fundamental uses in collective bargaining. The most important function of this information is to determine the position a party should take in negotiations. Data should support initial demands or offers as well as final positions either side may take. Although settlement positions may not be known before the final stages of bargaining, an adequate data base enables negotiators to respond appropriately to proposals made as settlement nears. Often the presentation of wording for a clause or a formula may trigger agreement, even if the contents are new to the parties, when both sides are convinced that the proposal has worked elsewhere in comparable circumstances.

The second use of information is to assist in predicting the opponent's bargaining strategy. A sound knowledge of the economic and political position of one's opponent should provide insights into the issues likely to be raised, the course of bargaining, and the likely settlement range.

Contrary to popular belief, research is seldom useful in convincing an opponent that its position is incorrect. Neophyte negotiators occasionally attempt to impress representatives of the other party with an array of facts in the belief that sharing knowledge will change fundamental views of the bargaining climate. This tactic seldom succeeds in bringing a settlement. Instead it may raise tempers when one side "refuses" to see the logic of the other's argument. However, well-researched replies of an opponent's proposals do demonstrate good faith in bargaining by indicating that proposals have been considered and an honest effort has been made to implement them. They also may indicate priorities and costs attached to a given proposal. Later in the post settlement phase of bargaining, information generated in negotiations is useful in convincing the negotiators' constituents that the agreement is a good one.

In the Canadian context, with a highly fragmented bargaining structure, research has another function. Inexperienced negotiators may well take positions at variance with normal practice in the appropriate region or industry. An opponent may view such positions as indicating either bad faith or weakness, with negative consequences for negotiations. The position may be too severe or too generous, but it usually results from a misunderstanding of the dynamics of a particular bargaining relationship. In these circumstances, a careful presentation of prevailing patterns of bargaining may avert a breakdown in negotiations caused more by ignorance than design.

To many observers, assigning these limited roles to research in bargaining may seem an admission of defeat, a confirmation of the essentially non-rational nature of the process. In fact, collective bargaining is not rational, in the sense that it is not a logical search for solutions. It is a power process by which each negotiating team attempts to secure the best results it can for its constituents. Even if both parties were presented with a wide array of objectively presented facts, each would highlight those details that

supported its case. Typically, both negotiating teams are aware of the basic circumstances of the industry in which they work and frame their proposals accordingly selecting information to support their case. If one side seriously misreads the bargaining climate, the pressures of bargaining offer the surest means of correcting the misunderstanding.

A variety of sources exist to assist negotiators with the traditional role for research in bargaining. A number of provincial governments publish surveys of wages and working conditions, summaries of new collective bargaining agreements, and special reports on subjects of local interest. The Industrial Relations Centre at McGill University and Labour Canada have computer-based data banks of collective agreements provisions coded by subject, industry, location, etc. Labour Canada also publishes reports on several subjects, including working conditions, labour legislation, union membership, etc. Other federal agencies, notably Statistics Canada and the Pay Research Bureau, publish many data series used in bargaining. Finally, private organizations produce timely reports for particular groups, such as employers in one province or industry, members of a union, etc.

Generally, these services are quite useful, and most will not be threatened by the CBIC. However, there are several limitations common to most existing information sources. First, most data are presented in isolation, i.e. collective agreement provisions in a given industry or area; wage rates for a particular occupation, etc. Obviously, these conditions of employment have arisen in an economic, political, or social context. Yet negotiators have no way of relating a specific item to any broader trends. Given the great diversity in the Canadian economy, negotiators must treat data from other regions and industries carefully. Normal contract provisions in one area may be quite exceptional in others, for completely valid reasons not immediately apparent.

Secondly, much of the existing information is produced for partisan purposes. Union analyses of an industry or firm's profitability or employer wage surveys are likely to be suspect when introduced into bargaining. Even if the originator honestly attempts to be objective, the perspective of labour or management is assumed to pervade the process of compiling and presenting the information. Because of the traditional role

for research in bargaining, these limitations seem almost inherent to many information services.

Thirdly, existing sources of information seem to be either too slow or too local. National or industry data series are difficult and expensive to compile, hence are slow to appear. The inevitable delay limits their utility considerably. For instance, many employees rely on community or occupational wage surveys in bargaining. But these data are often six months to one year old before they are introduced into bargaining, leaving negotiators of contracts for one to two years in the future unsure of their meaning. By contrast, timely data, where they exist, are frequently so specific as to limit their application to only a few bargaining situations. Summaries of individual contract settlements are quickly and often widely disseminated. But the value of such information to other negotiators is seldom great.

A National Information Centre

It would be naive to expect the CBIC to overcome all the deficiencies in bargaining information just summarized. The sheer cost to government and to private groups who would provide most of the information to

compile the "ideal" data series would be prohibitive. Moreover, in light of the uses normally made of information, such an effort would not have much impact on Canadian labour-management relations. But there are roles for the Centre which could be both economical and useful.

Despite the array of existing data sources, the CBIC can provide "current intelligence" to supplement other services. The need to avoid duplication is so obvious that no further comment seems necessary. The comparative advantage of the Centre should be its national perspective and objectivity. Thus, where national data are lacking, the CBIC should provide them. Similarly, where available data are highly partisan, the Centre should provide information that both sides will accept as valid (even if they differ on the implications of it). As a national organization, the Centre is also in a position to utilize modern data processing techniques to provide materials which are more timely and specific than smaller bodies, public or private. The growing sophistication of labour and management information systems should soon enable the parties to insert data series directly into their own computers, thereby saving time and cost over conventional methods of transmission.

This current intelligence function should fill gaps in existing series, make data available to small employers or unions who cannot afford the full array of materials now produced, and free resources elsewhere for better work in specific areas not suited to the CBIC. Not only will information be more complete because of the Centre, but the overall quality of existing sources should be improved. But these contributions, useful though they may be, would not be the most important contribution of the CBIC.

The major deficiency in collective bargaining information is not in "current intelligence," but in what one might call "strategic intelligence." Strategic intelligence is information of importance for the medium to long term, designed to assist negotiators in their general approach to a particular problem rather than supporting proposals for a given round of negotiations. Several categories of strategic intelligence seem appropriate for illustrative purposes.

Studies of innovations in bargaining would be highly useful. For instance, in the 1960s technological change caused serious problems of redundancy in a number of industries. The parties in collective bargaining

displayed considerable ingenuity in dealing with layoffs and dislocations. But there is little information available on the operation of these plans in recent years. Was their early promise fulfilled? Have new techniques been developed which warrant wider attention? Is future technological change likely to demand other methods for coping with redundancy? In a more contemporary area, much publicity was given to the introduction of expedited grievance arbitration in the mining industry several years ago. Preliminary studies were carried out in Ontario on these systems. It may now be time to assess such systems over a longer term. Despite the parties' expressed satisfaction with expedited arbitration, the firm which was among the first to adopt the system has recently suffered a long and bitter strike. Will the parties continue to be enthusiastic about expedited arbitration? How has it functioned outside of mining? What are its prospects for adoption elsewhere?

Innovations in bargaining often receive wide publicity when they are first adopted. Both labour and management are eager to discuss them as contracts are signed. But follow-up studies and objective analyses of the operations of new methods are rare. Yet this type

of information is precisely what the parties in bargaining should have when considering the adoption of an innovation.

A second area for CBIC efforts is the production and dissemination of studies of the economic climate facing individual industries or sectors. It would not be easy to generate studies of this type that are accepted by labour, management, and various levels of government as accurate and objective. But the work of the Economic Council of Canada has filled a similar position for the national economy for many years, and comparable bodies in Scandinavia have made valuable contributions. These studies should be aimed at a broad audience, e.g. employees, shareholders and the interested public, for negotiators are generally well informed on the economics of their industries. But their constituents, the public, and persons in other industries should benefit greatly from such material. The debate provoked by such studies would contribute to a better understanding of the Canadian economy and perhaps influence the expectations of persons affected by collective bargaining.

A third area for the CBIC might be problems in contract administration and working conditions. Issues that arise during the life of an agreement normally surface at the bargaining table, when the parties may have difficulty in dealing with them adequately. Moreover, the exchange of information among employers and unions on these topics is not as efficient as it is for contract provisions, wage levels, etc. Several individual studies of turnover in the mining industry have been done in recent years, without the benefit of much research in other sectors. Both parties in that industry recognize the existence of a problem, but they are still searching for solutions. New fringe benefits, such as dental insurance, paid educational leave, or paternity leave, have recently been incorporated in collective bargaining. Yet there is little information on the parties' experience with them. As one example, a study of dental insurance in British Columbia revealed that plans negotiated in outlying areas of the province had not been satisfactory because of the lack of dentists in some regions. Consequently, a few plans were dropped after the fruitless expenditure of thousands of dollars. This type of information provides the parties with

criteria with which to compare their situation and performance with other groups, thus assisting in the formulation of proposals to deal with specific problems.

Although this agenda will seem ambitious to many, the Centre should be encouraged to see its role in the broadest possible perspective. The need for its services is great, but the opportunities are equally large. The material produced by the Centre may not enjoy immediate acceptance. But even the most informed negotiators admit the lack of objective information on a variety of issues, and they will come to depend on the Centre's work.

THE ROLE AND IMPACT OF INFORMATION
IN COLLECTIVE BARGAINING

by

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THE ROLE AND IMPACT OF INFORMATION
IN COLLECTIVE BARGAINING

What information is involved? Parties to collective bargaining require a wealth of information on an enormous variety of subjects: the economic and social context (juncture), the state of the relevant markets (product and labour markets), the competitors' positions (clientele, production methods, labour and conditions of employment), the adversary's position (financial situation, strategies, resistance and solidarity of the team), not to mention a thorough knowledge that each party must have of every matter that is of concern to it.

Of these considerations, the conditions of employment in comparable industries have high priority. This, together with the state of the labour market, is the type of information we have in mind as we carry out such work. Moreover, such information usually forms the basis of argument in collective bargaining. From such data, each party selects, of course, those which are

favourable to it and presents them from the appropriate perspective; but the comparison of wages and conditions of employment constitutes, in one form or another, the ultimate basis of argument for both parties.

It is the role and impact of this type of information that we shall consider. Impact must be divided into smaller elements since the effects of a factor are measured according to the objectives that were set and the difficulties presented by its execution. Such are the main divisions of this presentation.

The role of information

One cannot overstate the importance of information in the process and results of bargaining. With the exception of the basic elements of bargaining power (such as state of inventory and level of technology with respect to the employer, the solidarity of the workers involved and the strike fund with respect to the union), and the strictly personal skills of the negotiators concerned, no other factor is as important as information. The more information a party's representatives have about their own situation and that of their opponent, the better their chances are of reaching the

agreement they desire. An adequate knowledge of the appropriate factors enables each negotiator to evaluate those points on which he can stand fast, those on which he should yield, when he should do so and to what extent.

In more concrete terms, familiarity with the conditions of employment specific to the area and industry in question makes it possible to determine whether a certain condition should be granted or refused and what consequences this condition is likely to entail for the company if the latter accepts it or rejects it. A party that has information the other party lacks can formulate arguments that the other cannot refute because it lacks information by which to check it. If both parties have relatively the same information, the discussion will be more likely to steer itself rapidly toward the basic choices to be made, for example, abandonment of certain demands and concentration on others, recourse to available means of pressure when the conflict of interests cannot be otherwise resolved.

But information does not serve only to support the arguments of one or the other party at the bargaining table; it is also used to turn public opinion in a party's favour when it is thought that public opinion

can play a role, presumably when the dispute affects the public interest. Everyone has observed the battles of figures waged by contracting parties in the major media, particularly in the newspapers. Using information that is probably accurate but usually incomplete, each party attempts to convince the public that its position is the sound and fair one. Since the public lacks the required knowledge to evaluate this dual publicity, it finds itself in a total quandary in the face of information that seems to prove opposing arguments.

This problem aside, it can be said that information plays a primary role in relations both between the parties and with the public. The impact of this information is measured on the basis of the objectives that have been set and the magnitude of the difficulties to be overcome.

The objectives of improved information

All parties to a bargaining process are in search of ever more complete and more suitable information. But the purpose of their search, at least in the short term, is to defend their interests; each party looks for a fine example to support its demand or

counter-proposal, an unimpeachable testimony on the future of the economy or the industry. This pressing desire has lead some parties with more abundant resources at their disposal to avail themselves of the research and information tools that would assist them in their bargaining. Thus, there are many management and union organizations that gather all types of information and pass it on, usually in a confidential manner, to their members or affiliates. Those which are less fortunate must rely on official publications; the data therein are general and less detailed and are thus frequently more difficult to use; moreover, there is usually an appreciable time lapse before they become available.

The parties' objective will always be to obtain information that will enable them to better defend their positions. Is it realistic to hope that in the longer term, they might seek more objective information? They would have to be shown that so-called scientific bargaining is possible and beneficial.¹ This might involve a long educational process.

¹Chamberlain, Neil W and Kuhn, James W: "Use of Economic Data", Collective Bargaining. (New York, McGraw-Hill, 2nd Edition, 1965), pp 74 - 79.

Quite some time ago, the federal government set up various statistical information and publishing agencies designed to provide interested parties with some basic information. The government's current projects to improve the dissemination of information pertaining to collective bargaining are examples of such endeavours. What objectives are governments seeking when they take such steps? In the case that concerns us, the explicit objective is to enhance the current bargaining process.² This would seem to mean lessening the number and magnitude of disputes, shortening negotiations, effecting a greater number of settlements without the intervention of a third party and diminishing the number of cases in which employees refuse to ratify the proposal accepted by their negotiators.³ Reference has also been made to improving parties' attitudes and inducing them to make

²Labour Canada: Collective Bargaining Information Centre. Publicity brochure published by the Planning Unit for the CBIC, Labour Canada, Ottawa, 1978.

³Crowley, R W: A Preliminary Report on the Proposed Collective Bargaining Information Centre. An address prepared for Statistics and Research Committee, Canadian Association of Administrators of Labour Organizations, May 2, 1977, p 2.

more rational decisions.⁴ Without lingering over the possibly subjective nature of a "rational" decision, we can note the difficulty that the objective itself presents: the government would like to promote more harmonious labour relations and with this object in mind, it offers to help parties find more complete information; the project is an admirable one but entails many difficulties.

The difficulties associated with information

The difficulties associated with collective bargaining information may be either technical or political. The first are undoubtedly easier to resolve than the second.

In order for information to be truly useful to parties, it must satisfy certain requirements, especially for labour and management representatives of small and medium-sized businesses; these are the businesses that have the greatest need for such an information source

⁴Address by the Hon John Munro, Minister of Labour, on the Speech from the Throne, House of Commons, October 18, 1976;
Eberlee, T M: Notes for an Address by T M Eberlee, Deputy Minister of Labour, to the 25th Annual Conference of the Industrial Relations Centre, McGill University, Montreal, March 30, 1977, p 15.

since the others have their own information systems that they will continue to use. In order to be of use, a report on conditions of employment, wages or other conditions must be prepared on the basis of an analysis of the total population. As yet, most government publications have been based mainly on a fairly large segment of the population concerned, for example, collective agreements covering five hundred or more workers. Parties at the bargaining table need a more detailed breakdown of data, not only according to industry and area but also according to the size of the businesses involved. In order to be truly meaningful, an analysis of this type must be based on the total population governed by collective agreements. The following table, which is based on all the collective agreements filed with the Quebec Department of Labour, shows the importance of a breakdown according to size. Those collective agreements covering fewer than fifteen employees which were in effect in Quebec in 1978 represented 38 per cent of the employees governed by agreements; a subdivision according to primary, secondary and tertiary sectors sheds even more light on the importance of such a breakdown, for in the

TABLE I

DISTRIBUTION OF COLLECTIVE AGREEMENTS AND
EMPLOYEES CONCERNED ACCORDING TO
SIZE OF BARGAINING UNIT IN QUEBEC IN 1978

Size of Bargaining Unit	Collective Agreement		Employees Concerned		Employees per Collective Agreement
	No	%	No	%	
Fewer than 15 employees	3,864	38	23,396	3	6
15 to 49 employees	3,028	30	84,299	10	28
50 to 99 employees	1,369	14	94,361	11	68
100 to 199 employees	930	9	127,088	15	137
200 to 499 employees	600	6	180,067	22	300
500 or more employees	260	3	326,847	39	1,257
TOTAL	10,051	100	836,058	100	83

Source: Quebec, Department of Labour and Manpower,
Service de la recherche: Statistique
Convention Collective. Computer-stored
data, January 20, 1978.

tertiary sector, 48 per cent of the collective agreements govern fewer than fifteen employees but cover only 4 per cent of the employees governed by an agreement.

An analysis of collective agreements requires also that the non-monetary clauses be examined on a more elaborate grid than many current charts provide. For example, in the area of seniority, it is of very little use to know that most collective agreements consider seniority and other criteria in selecting employees for layoff or promotion; one would require many more details on the criteria themselves, their respective importance and the group within which seniority may be cited as a criterion. Undoubtedly, such an analysis presents many difficulties and entails many risks of error; however, it is perhaps better to have more data and know the limits thereof than have few or no data. Such is the case with many non-monetary clauses.

Even if the analysis were conducted on a well-prepared grid and based on the total population governed by collective agreements, other difficulties would remain, in particular, the question of whether all the collective agreements concerned are truly comparable. As regards wages, for example, are occupations that are

referred to by the same terms necessarily identical from one agreement to another? Strictly speaking, one would have to compare the job definitions for each case, after making certain that these definitions correspond faithfully to the facts. With respect to monetary clauses as a whole, there is no need for us to point out the difficulty of measuring total compensation.⁵ As to the other conditions of employment, how can one compare a promotion clause or job security clause as applied to a boutique or a large business, the private sector or the public sector? Nevertheless, parties insist on making such comparisons and use them as arguments at the bargaining table. In addition to the factors already pointed out, need we mention the importance of the temporal and geographical contexts? The same condition of employment may be judged very differently at two different times or places. In order to be valid and be used completely objectively, information should ideally satisfy all these distinctions.

⁵Canada, Pay Research Bureau: Total Compensation - An Exploratory Study. Ottawa, Public Service Staff Relations Board, Pay Research Bureau, 1975, 52 p;
Delorme, François: "Est-il possible de mesurer la rémunération globale?", Travail Québec, Vol 14, No 1 (March 1978), pp 14-18.

Despite the technical difficulties that the analysis and dissemination of the information might present, the political difficulties are even greater. Is there such a thing as "objective" information? Although the great majority of observers will spontaneously reply that there is, those persons involved in collective bargaining will very likely reply that there is not; from the mass of information available, the second group will say, every one will choose that which furthers its cause. The same event, the same data will be perceived differently according to individual interests. It is the credibility of the information that is at issue. Even if one admits that there may be such a thing as objective information, do parties wish to obtain it? Even if a party thinks it has such information, it will not use it unless it believes that the information will be advantageous to it.

In these circumstances, can a public agency provide "objective" information? This problem has at least two aspects, specifically, the nature of the agency and the variety of groups to be served. An agency may think of itself as a clearing house and, as such, appear to be truly neutral; its function would be

merely to guide those concerned to the most appropriate source according to each case. However, does the selection of one choice over another not imply subjectivity? Does the fact of limiting itself to one particular group of sources not do likewise? Conversely, if the agency engages in the autonomous publication of new information or research and comment, it will run a high risk of being accused of partiality by all those who are unhappy with the conclusions of its work. It is highly unlikely that an agency will be able to preserve its objectivity and above all, its credibility, while furnishing material to two parties to collective bargaining, which, by definition, have a conflict of interests.⁶

⁶Although the comparison is not valid in every respect, the difficulty of setting up a neutral and impartial information agency is confirmed to some extent by the delay in establishing the committee of information on negotiations in the public sector provided for in section 99(e) of the Labour Code; this committee was to have been formed before January 1, 1979. However, it has not yet been formed since persons willing to fill the offices have not been found. An office of this type represents a virtually unsurmountable challenge, namely, that of providing everyone with objective information in a situation involving a particularly sharp conflict of interests.

Other persons and groups will also wish to avail themselves of such an information service. A further problem will arise. Requirements will vary according to the various types of users. Persons and groups concerned with research will wish the information to be provided in a relatively constant form throughout the years, whereas economic representatives will probably be more concerned with learning about the latest changes as rapidly as possible and in a form that might sacrifice accuracy for up-to-dateness. Is it possible to satisfy all the groups, given their divergent concerns and interests?

Although it is a difficult undertaking, it is nevertheless worth attempting. While large companies and large unions have the resources to obtain the information tools they need, small and medium-sized businesses, along with less pecunious unions, truly seem to be at a disadvantage in this regard. We should also not forget the smaller public bodies, such as small and medium-sized municipalities. Any study of the effects of information on collective bargaining must take into account the various categories of users, especially the small and medium-sized businesses. We shall see this in a moment.

The effects and conditions associated with the use of information

The advantages of greater accessibility to information will, of course, be felt first by those who have been deprived of it, that is, the groups to which we just referred. For a small employer or a nascent union without extensive resources, it might be extremely useful to know what type of collective agreement other businesses of the same nature have signed in similar circumstances. Naturally, they must be informed that such a service exists. In this process of information dissemination, conciliators and all third-party interveners can play an important role. They will no doubt draw on the same source, from which they will obtain suggestions as well as arguments to pass on to the parties concerned. The arbitration of a first collective agreement will be another occasion on which information thus gathered will be not only welcome but useful. In order for information to fully meet the demands of such circumstances, the conditions mentioned earlier will have to be satisfied: the information will have to be based on the total population and a very detailed breakdown, according to the basic variables of the industry, the area, size and appropriate occupations.

We should not forget another category of users. Of course, it is not for them but for the parties that a Collective Bargaining Information Centre must be established. On the other hand, their long-term influence cannot be overlooked. Universities, together with government, independent, management and union research groups can contribute a great deal to the accomplishment of the Centre's work, perhaps guide one or another of its activities and help to establish its credibility. The objectives of such groups will undoubtedly be different from those of parties to a bargaining process and their requirements may create some problems; researchers will want to ensure the possibility of comparisons based on large temporal and geographic scales, a matter that is of less concern to parties involved in bargaining. A reasonable compromise should be possible. Furthermore, general research may, in the long term, be useful to parties themselves, for example, in defining trends or detecting the advantages and disadvantages of different options taken in different places or at different times.

Can improved information make it easier to attain the objectives mentioned earlier? Above all, we must not expect miracles. Moreover, parties to major

negotiations will continue to draw their information from the usual sources; new sources will be added to the old ones. In this light, it would be most surprising if the number of work stoppages decreased substantially. Some strikes or lockouts that would otherwise be mistakenly carried out because of a lack of appropriate information might be avoided, and this alone would constitute a valid accomplishment. Likewise, improved information that is more complete and better known might keep some agreements that have already been reached by party representatives from being discarded. As regards the question of shortening negotiations, everything will depend on the use that is made of the additional information. If agreement is reached from the outset on some data, the process might be speeded up; otherwise, it might even be slowed down if the conversation becomes snarled on this information itself as well as on the points already in dispute.

Finally, the impact will depend to a large extent on the spirit that is guiding the parties. If the parties are really trying to reach an agreement, a greater knowledge of the other's situation and of their common situation in relation to others will be sure to

enhance the process. On the other hand, if a contentious atmosphere prevails, additional information will itself give rise to further conflict. Thus, the most important question is perhaps the following: What are the conditions under which improved information can alter the parties' attitudes so that they may reach agreement easier?

Conditions of long-term success

The attainment of the objectives mentioned requires a long educational process. In the short term, the parties must unquestionably be given the information they need in order to achieve success in their negotiations; this implies that they be given the information they will use to pursue their immediate interests. As is well known, some current government publications tend to cater to the interests of one particular group. However, more must be done.

The Centre must establish its authority by preparing and publishing research and documents that bring to light the main features of the field of collective agreements, for example, by defining the

major trends of their evolution.⁷ Through such research, the agency would go beyond its role as a supplier of arguments to those concerned and assert itself as a body that awakens minds to the new, unfolding realities.

Should the Centre go further and analyse the impact that a given clause would have in the current socio-economic context? This would be desirable but perhaps too risky, at least for quite some time yet. Other agencies have tried this and have succeeded only in antagonizing one or both parties.

The work that must be done to ensure improved information is, on the other hand, so extensive and complex that it could involve the joint efforts of many persons for a very long time. Furthermore, the effort to lead the parties to adopt an increasingly enlightened view of all the facets of collective bargaining merits the participation of all those concerned. The results might take time but they will not fail to materialize if all those concerned agree to faithfully put their shoulders to the wheel.

⁷Collective Bargaining Information Centre: Terms of Reference, October 1977.

